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U.S. DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA

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UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA

JSC

LUCHA BOTT, JANE M. TAYLOR AND
JUDE A. ANHELUK, Individually and on
Behalf of All Others Similarly Situated,

Plaintiffs

v.

DELPHI AUTOMOTIVE LLP; FURUKAWA
ELECTRIC CO., LTD.; LEAR CORP.; LEONI
AG; SUMITOMO ELECTRIC INDUSTRIES,
LTD.; S-Y SYSTEMS TECHNOLOGIES
GMBH; YAZAKI CORP.; YAZAKI NORTH
AMERICA INC.,

Defendants.

CV 11

Case No.

4949

CLASS ACTION

CLASS ACTION COMPLAINT

DEMAND FOR JURY TRIAL

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1 Indirect purchaser plaintiffs Lucha Bott, Jane M. Taylor and Jude A. Anheluk ("Plaintiffs")
2 bring this action on behalf of all others similarly situated in the United States. Plaintiffs, by and
3 through their attorneys, based on their individual experiences, the investigation of counsel and
4 experts, and information and belief allege as follows:

5 **I. NATURE OF THE CASE**

6 1. This lawsuit is brought as a proposed class action against Defendants, the largest
7 suppliers of Automotive Wire Harness Systems (defined below) globally and in the United States,
8 for engaging in a massive, decade-long conspiracy to unlawfully fix and artificially raise the prices
9 of Automotive Wire Harness Systems. Defendants' conspiracy successfully targeted the long-
10 struggling United States automotive industry, raising prices for car manufacturers and consumers
11 alike.

12 2. Plaintiffs seek to represent consumers who purchased or leased new motor vehicles
13 containing Automotive Wire Harness Systems or replacement Automotive Wire Harness Systems
14 for their motor vehicles during the period from and including January 1, 2000, up to and including
15 the date of the filing of this Complaint (the "Class Period").

16 3. "Automotive Wire Harness Systems" are automotive electrical distribution systems
17 used to direct and control electronic components, wiring, and circuit boards in an automotive
18 vehicle. Essentially, Automotive Wire Harness Systems serve as the "central nervous system" of a
19 motor vehicle. "Automotive Wire Harness Systems" include the following: automotive electrical
20 wiring, lead wire assemblies, cable bond, automotive wiring connectors, automotive wiring
21 terminals, electronic control units, fuse boxes, relay boxes, junction blocks and power distributors.

22 4. Defendants Delphi Automotive LLP ("Delphi"), Furukawa Electric Co., Ltd.
23 ("Furukawa"), Lear Corp. ("Lear"), Leoni AG ("Leoni"), Sumitomo Electric Industries, Ltd.
24 (Sumitomo), S-Y Systems Technologies, GmbH ("S-Y Systems"), Yazaki Corp., and Yazaki North
25 America Inc. (collectively "Defendants") manufacture, market, and sell Automotive Wire Harness
26 Systems throughout the United States. The manufacture and sale of Automotive Wire Harness
27 Systems is a multi-billion dollar industry.
28

1 5. Defendants and other co-conspirators (as yet unknown) agreed, combined and
2 conspired to inflate, fix, raise, maintain, or artificially stabilize prices of Automotive Wire Harness
3 Systems.

4 6. Competition authorities in the United States, the European Union and Japan have
5 been investigating a conspiracy in the market for Automotive Wire Harness Systems since at least
6 February 2010. As part of its criminal investigation, the United States Department of Justice
7 (“DOJ”) is seeking information about anticompetitive conduct in the market for Automotive Wire
8 Harness Systems, and the Federal Bureau of Investigation (“FBI”) has participated in raids,
9 pursuant to search warrants, carried out in at least some of the Defendants’ offices. The European
10 Commission Competition Authority (“EC”) has also conducted dawn raids at the European offices
11 of several of the Defendants.

12 7. Defendant Furukawa has pled guilty to a criminal information brought by the United
13 States, charging that, from at least as early as January 2000 and continuing until at least January
14 2010, Furukawa and its co-conspirators participated in a combination and conspiracy to suppress
15 and eliminate competition in the automotive parts industry by agreeing to rig bids for, and to fix,
16 stabilize, and maintain the prices of, Automotive Wire Harness Systems sold to automobile
17 manufacturers in the United States. The criminal information further charged that the combination
18 and conspiracy engaged in by Furukawa and its co-conspirators was in unreasonable restraint of
19 interstate and foreign trade and commerce in violation of the Sherman Antitrust Act, 15 U.S.C. § 1.

20 8. As part of its plea agreement, Furukawa has agreed to assist the DOJ in its ongoing
21 criminal investigation into the automotive parts industry.

22 9. As a direct result of the anti-competitive and unlawful conduct alleged herein,
23 Plaintiffs and the Classes paid artificially inflated prices for Automotive Wire Harness Systems
24 during the Class Period and have thereby suffered antitrust injury to their business or property.

25 II. JURISDICTION AND VENUE

26 10. This Court has jurisdiction over the instant matter pursuant 28 U.S.C. § 1332(d) and
27 the Class Action Fairness Act of 2005 (“CAFA”), 28 U.S.C. § 1711, *et seq.*, which vest original
28 jurisdiction in the district courts of the United States for any multi-state class action where the

1 aggregate amount in controversy exceeds \$5 million and where the citizenship of any member of
2 the class of plaintiffs is different from that of any defendant. The \$5 million amount-in-
3 controversy and diverse-citizenship requirements of CAFA are satisfied in this case.

4 11. Venue is appropriate in this district under 28 U.S.C. § 1391(b) and (c), because
5 during the Class Period many of the Defendants transacted business, were found, or had agents in
6 this district and because a substantial portion of the affected interstate trade and commerce
7 described below has been carried out in this district.

8 12. Intradistrict Assignment: Assignment to the San Francisco or Oakland division of
9 this Court is proper because a substantial portion of the events giving rise to the claims occurred
10 therein.

11 13. This Court has personal jurisdiction over each Defendant because, inter alia, each
12 Defendant: (a) transacted business throughout the United States, including in this district;
13 (b) participated in the sale and distribution of Automotive Wire Harness Systems throughout the
14 United States, including in this district; (c) had substantial contacts with the United States,
15 including in this district; and/or (d) was engaged in an illegal conspiracy that was directed at and
16 had the intended effect of causing injury to persons residing in, located in, or doing business
17 throughout the United States, including in this district.

18 III. THE PARTIES

19 A. Plaintiffs

20 14. Plaintiff Lucha Bott is a resident of Novato, California, and contracted to purchase a
21 2009 Honda CRV on April 9, 2009, from Honda of Marin, located in San Rafael, California.

22 15.. Plaintiff Jane M. Taylor is a resident of Kapaa, Hawaii. Plaintiff Taylor purchased a
23 2005 Toyota Prius on September 16, 2005, from Kauai Toyota, located in Lihue, Hawaii.

24 16. Plaintiff Jude A. Anheluk is a resident of Minneapolis, Minnesota. Plaintiff Anheluk
25 purchased a 2008 Toyota Camry in December 2007, from Corwin Auto, located in Fargo, North
26 Dakota.

B. Defendants

17. Defendant Delphi Automotive LLP is a Delaware corporation with its principal place of business in Troy, Michigan. Defendant Delphi manufactured, marketed and/or sold Automotive Wire Harness Systems that were purchased throughout the United States, including in this district, during the Class Period.

18. Defendant Furukawa Electric Co., Ltd. is a Japanese corporation. Defendant Furukawa manufactured, marketed and/or sold Automotive Wire Harness Systems that were purchased throughout the United States, including in this district, during the Class Period.

19. Defendant Lear Corp. is a Delaware corporation with its principal place of business in Southfield, Michigan. Defendant Lear manufactured, marketed and/or sold Automotive Wire Harness Systems that were purchased throughout the United States, including in this district, during the Class Period.

20. Defendant Leoni AG is a German corporation. Defendant Leoni manufactured, marketed and/or sold Automotive Wire Harness Systems that were purchased throughout the United States, including in this district, during the Class Period.

21. Defendant Sumitomo Electric Industries, Ltd. is a Japanese corporation. Defendant Sumitomo manufactured, marketed and/or sold Automotive Wire Harness Systems that were purchased throughout the United States, including in this district, during the Class Period.

22. Defendant S-Y Systems Technologies, GmbH is a German corporation. Defendant S-Y Systems manufactured, marketed and/or sold Automotive Wire Harness Systems that were purchased throughout the United States, including in this district, during the Class Period.

23. Defendant Yazaki Corp. is a Japanese corporation. Defendant Yazaki manufactured, marketed and/or sold Automotive Wire Harness Systems that were purchased throughout the United States, including in this district, during the Class Period.

24. Defendant Yazaki North America Inc. is an Illinois corporation and has its principal place of business in Canton Township, Michigan. It is a subsidiary of and owned and controlled by its parent, Yazaki Corp. Yazaki Corp. and Yazaki North America Inc. are herein referred to as "Yazaki."

IV. STATEMENT OF FACTS

25. Defendants supplied automotive wire harnesses and related products to automobile manufacturers for installation in vehicles manufactured and sold in the United States and elsewhere. Defendants manufactured automotive wire harnesses and related products (a) in the United States for installation in vehicles manufactured and sold in the United States, (b) in Japan for export to the United States and installation in vehicles manufactured and sold in the United States, and (c) in Japan for installation in vehicles manufactured in Japan for export to and sale in the United States.

26. Automotive wire harnesses are automotive electrical distribution systems used to direct and control electronic components, wiring, and circuit boards. The following are defined as "related products" for purposes of Plaintiffs' allegations: automotive electrical wiring, lead wire assemblies, cable bond, automotive wiring connectors, automotive wiring terminals, electronic control units, fuse boxes, relay boxes, junction blocks, and power distributors. When purchasing automotive wire harnesses and related products, automobile manufacturers issue Requests for Quotation ("RFQs") to automotive parts suppliers on a model-by-model basis for model specific parts. Automotive parts suppliers submit quotations, or bids, to the automobile manufacturers in response to RFQs, and the automobile manufacturers award the business to the selected automotive parts supplier for the lifespan of the model, which is usually four to six years. Typically, the bidding process for a particular model begins approximately three years prior to the start of production. Japanese automobile manufacturers procure parts for U.S.-manufactured vehicles both in Japan and the United States.

27. From at least as early as January 2000 and continuing until at least January 2010, the exact dates being unknown, Defendants participated in a combination and conspiracy to suppress and eliminate competition in the automotive parts industry by agreeing to rig bids for, and to fix, stabilize, and maintain the prices of, automotive wire harnesses and related products sold to automobile manufacturers in the United States and elsewhere. The combination and conspiracy engaged in by Defendants was in unreasonable restraint of interstate and foreign trade and commerce.

1 28. The charged combination and conspiracy consisted of a continuing agreement,
2 understanding, and concert of action among Defendants, the substantial terms of which were to rig
3 bids for, and to fix, stabilize, and maintain the prices of, automotive wire harnesses and related
4 products sold to automobile manufacturers in the United States and elsewhere.

5 **A. Defendants increased prices for automotive wire harness systems despite steady costs**

6 29. In a competitive market, falling material and labor costs would lead to decreased
7 prices because each competitor would be afraid that other competitors would attempt to take
8 advantage of their lower costs to lower their prices in order to capture market share. The only
9 economically rational action in such a situation is for each competitor to lower its own prices.

10 30. In a market where ostensible competitors have engaged in a conspiracy to fix prices,
11 however, competitors do not lower prices even when faced with steady or decreasing input costs.
12 Such price decreases are unnecessary because the conspirators know that they will not lose sales to
13 lower-priced competitors.

14 31. The price of Automotive Wire Harness Systems increased during the Class Period,
15 while major input costs virtually remained the same. In fact, according to research in China,
16 Sumitomo and Furukawa own their own copper mines and effectively control their copper input
17 costs. Copper is a major input cost component in the manufacture of Automotive Wire Harness
18 Systems. In a competitive market, steady input costs should not have resulted in rising prices to
19 Defendants' customers for Automotive Wire Harness Systems. Such anti-competitive price
20 increases have resulted in Plaintiffs and members of the Classes paying supra-competitive prices.

21 **B. The structure and characteristics of the automotive wire harness systems market**
22 **render the conspiracy more plausible**

23 32. The structure and other characteristics of the Automotive Wire Harness Systems
24 market in the United States are conducive to a price-fixing agreement, and have made collusion
25 particularly attractive in this market. Specifically, the Automotive Wire Harness Systems market:
26 (1) has high barriers to entry; (2) has inelasticity of demand; (3) is highly concentrated; and (4) is
27 rife with opportunities to conspire.
28

1 **1. The automotive wire harness systems market has high barriers to entry**

2 33. A collusive arrangement that raises product prices above competitive levels would,
3 under basic economic principles, attract new entrants seeking to benefit from the supracompetitive
4 pricing. Where, however, there are significant barriers to entry, new entrants are less likely. Thus,
5 barriers to entry help to facilitate the formation and maintenance of a cartel.

6 34. There are substantial barriers that preclude, reduce or make more difficult entry into
7 the Automotive Wire Harness Systems market. A new entrant into the business would face costly
8 and lengthy start-up costs, including multi-million dollar costs associated with manufacturing
9 plants and equipment, energy, transportation distribution infrastructure, skilled labor and long-
10 standing customer relationships.

11 35. In addition, the Original Equipment Manufacturers (“OEMs”) cannot change
12 Automotive Wire Harness Systems suppliers randomly after they choose one because the OEMs
13 design the features of their vehicles so that the Automotive Wire Harness System it purchases for a
14 vehicle is then integrated with the electronics, mechanics, thermal distribution and other features of
15 the particular vehicle model. Thus, the design must be synergized by Automotive Wire Harness
16 Systems manufacturers and OEMs. It would be difficult for a new market entrant to do so.

17 **2. There is inelasticity of demand for automotive wire harness systems**

18 36. “Elasticity” is a term used to describe the sensitivity of supply and demand to
19 changes in one or the other. For example, demand is said to be “inelastic” if an increase in the
20 price of a product results in only a small decline in the quantity sold of that product, if any. In
21 other words, customers have nowhere to turn for alternative, cheaper products of similar quality,
22 and so continue to purchase despite a price increase.

23 37. For a cartel to profit from raising prices above competitive levels, demand must be
24 relatively inelastic at competitive prices. Otherwise, increased prices would result in declining
25 sales, revenues and profits, as customers purchased substitute products or declined to buy
26 altogether. Inelastic demand is a market characteristic that facilitates collusion, allowing producers
27 to raise their prices without triggering customer substitution and lost sales revenue.
28

1 38. Demand for Automotive Wire Harness Systems is highly inelastic. Demand for
2 Automotive Wire Harness Systems is inelastic because there are no close substitutes for these
3 products. In addition, customers must purchase Automotive Wire Harness Systems as an essential
4 part of a vehicle, even if the prices are kept at a supra-competitive level.

5 **3. The market for automotive wire harness systems is highly concentrated**

6 39. A highly concentrated market is more susceptible to collusion and other
7 anticompetitive practices.

8 40. As discussed above, Defendants dominate the Automotive Wire Harness Systems
9 market. Six of the Defendants control almost 90% of the global market, and four of the Defendants
10 control almost 77% of the global market: Yazaki controls almost 30%; Sumitomo controls 24%;
11 Delphi controls 16.71%; Lear controls almost 5%; Furukawa controls almost 4%; and Leoni
12 controls 6%.

13 **4. Defendants had ample opportunities to conspire**

14 41. Defendants attended industry events where they had the opportunity to meet, have
15 improper discussions under the guise of legitimate business contacts, and perform acts necessary
16 for the operation and furtherance of the conspiracy. For example, Defendants have regularly
17 attended the annual Detroit Auto Show, which provided the means and opportunity to further the
18 conspiracy alleged herein.

19 **C. Government investigations**

20 42. A globally coordinated antitrust investigation is taking place in the United States,
21 Europe and Japan, aimed at suppliers of Automotive Wire Harness Systems.

22 43. The probe originated in Europe as the result of several European OEMs coming
23 together to bring a complaint to the EC. One carmaker is said to have failed to attract competitive
24 bids for Automotive Wire Harness Systems, leading the company to join with other carmakers to
25 take their complaint to the EC.

26 44. On February 8, 2010, the EC executed surprise raids at the European offices of
27 certain Defendants as part of an investigation into anti-competitive conduct related to the
28 manufacturing and sale of Automotive Wire Harness Systems. The EC also carried out additional

1 raids at the European offices of several suppliers of Automotive Wire Harness Systems on June 7,
2 2010. Specifically, BC investigators raided the offices of Leoni, S-Y Systems and Yazaki. "The
3 Commission has reason to believe that the companies concerned may have violated European
4 Union antitrust rules that prohibit cartels and restrictive business practices," an EC official said in a
5 statement.

6 45. S-Y Systems has admitted that it is cooperating with the antitrust investigators.
7 Lear's Chief Executive Officer Bob Rossiter has stated that Lear was notified by the EC that it is
8 part of an investigation into anticompetitive practices among automotive electrical and electric
9 component suppliers. In addition, Delphi has admitted to having "received a request for
10 information from antitrust authorities at the European Commission seeking information about
11 conduct by us in connection with an investigation in the European Union related to the electrical
12 and electronic components market." Delphi stated that it is cooperating fully with the European
13 competition authorities. Leoni has also stated that it is cooperating with the antitrust investigators.

14 46. In February 2010, Japan's Fair Trade Commission raided the Tokyo offices of
15 Furukawa, Sumitomo and Yazaki as part of an expansive investigation into collusion in the
16 industry dating back to at least 2003.

17 47. The DOJ has stated that it is conducting an investigation of potential antitrust
18 activity and coordinating its investigation with antitrust regulators in Europe. "The antitrust
19 division is investigating the possibility of anticompetitive cartel conduct of automotive electronic
20 component suppliers," DOJ Spokeswoman Gina Talamona said.

21 48. Indeed, on February 23, 2010, around the same time as the raids by the Japanese and
22 European competition authorities, investigators from the FBI raided three Detroit-area Japanese
23 auto parts makers as part of a federal antitrust investigation. The FBI executed warrants and
24 searched the offices of these companies, including Yazaki's subsidiary in Canton Township,
25 Michigan. Special Agent Sandra Berchtold said the affidavits supporting issuance of the warrants
26 were sealed in federal court.

27 49. To obtain search warrants, the United States was legally required to have probable
28 cause, accepted by a magistrate, to believe that it would obtain evidence of an antitrust violation as

1 a result of executing the search warrant – that is, the United States had to have evidence sufficient
2 to warrant a person of reasonable caution to believe that raiding the offices of a seemingly lawful
3 business would uncover evidence of antitrust violations and that claimed evidence must have been
4 examined and accepted by a magistrate. That belief, which was recounted in sworn affidavits or
5 testimony, must be grounded on reasonably trustworthy information.

6 **D. Guilty pleas**

7 50. On September 29, 2011, the DOJ announced that Defendant Furukawa had agreed
8 to plead guilty and to pay a \$200 million fine for its role in a criminal price-fixing and bid-rigging
9 conspiracy involving the sale of Automotive Wire Harness Systems to automobile manufacturers.
10 Three executives, who are Japanese nationals, also agreed to plead guilty and to serve prison time
11 in the United States ranging from a year and a day to 18 months.

12 51. Furukawa is charged with price-fixing in violation of the Sherman Act.

13 52. Furukawa has agreed to plead guilty for its role in a conspiracy to rig bids for and to
14 fix the prices of the sale of Automotive Wire Harnesses and related products sold to automobile
15 manufacturers in the United States and elsewhere. The DOJ announced in a press release that
16 Furukawa participated in the conspiracy from at least as early as January 2000, until at least
17 January 2010.

18 53. The plea agreements are an outgrowth of the DOJ's first charges in its ongoing
19 international cartel investigation of price-fixing and bid-rigging in the auto parts industry.
20 According to four separate one-count felony charges filed in the United States District Court for the
21 Eastern District of Michigan in Detroit, Furukawa and its executives – Junichi Funo, Hirotsugu
22 Nagata and Tetsuya Ukai – engaged in a conspiracy to rig bids for and to fix, stabilize and maintain
23 the prices of Automotive Wire Harness Systems sold to customers in the United States and
24 elsewhere.

25 54. According to the Information filed, Furukawa and its co-conspirators carried out the
26 conspiracy by:

1 (a) participating in meetings, conversations and communications in the United
2 States and Japan to discuss the bids and price quotations to be submitted to automobile
3 manufacturers in the United States and elsewhere;

4 (b) agreeing, during those meetings, conversations and communications, on bids
5 and price quotations to be submitted to automobile manufacturers in the United States and
6 elsewhere;

7 (c) agreeing, during those meetings, conversations and communications, to
8 allocate the supply of Automotive Wire Harness Systems sold to automobile manufacturers in the
9 United States and elsewhere on a model-by-model basis;

10 (d) agreeing, during those meetings, conversations and communications, to
11 coordinate price adjustments requested by automobile manufacturers in the United States and
12 elsewhere;

13 (e) submitting bids, price quotations, and price adjustments to automobile
14 manufacturers in the United States and elsewhere in accordance with the agreements reached;

15 (f) selling Automotive Wire Harness Systems to automobile manufacturers in
16 the United States and elsewhere at collusive and noncompetitive prices;

17 (g) accepting payment for Automotive Wire Harness Systems sold to
18 automobile manufacturers in the United States and elsewhere at collusive and noncompetitive
19 prices;

20 (h) engaging in meetings, conversations, and communications in the United
21 States and elsewhere for the purpose of monitoring and enforcing adherence to the agreed-upon
22 bid-rigging and price-fixing scheme; and

23 (i) employing measures to keep their conduct secret, including but not limited
24 to using code names and meeting at private residences or remote locations.

25 55. "As a result of this international price-fixing and bid-rigging conspiracy, automobile
26 manufacturers paid noncompetitive and higher prices for parts in cars sold to U.S. consumers," said
27 Sharis A. Pozen, Acting Assistant Attorney General in charge of the Department of Justice's
28 Antitrust Division. "This cartel harmed an important industry in our nation's economy, and the

1 Antitrust Division with the Federal Bureau of Investigation will continue to work together to
2 ensure that these kinds of conspiracies are stopped.”

3 56. “When companies partner to control price and fix bids or contracts, it undermines
4 the foundation of the United States’ economic system,” said FBI’s Special Agent in Charge
5 Andrew G. Arena. “The FBI is committed to aggressively pursuing any company involved in
6 antitrust crimes.” According to the plea agreements, which are subject to court approval,
7 Furukawa, Funo, Nagata and Ukai have all agreed to assist in the government’s ongoing
8 investigation into the automotive parts industry.

9 **V. MANNER AND MEANS OF THE CONSPIRACY**

10 57. For purposes of forming and carrying out the charged combination and conspiracy,
11 Defendants did those things that they combined and conspired to do, including, among other
12 things:

13 a. participating in meetings, conversations and communications in the United
14 States and Japan to discuss the bids and price quotations to be submitted to automobile
15 manufacturers in the United States and elsewhere;

16 b. agreeing, during those meetings, conversations and communications, on bids
17 and price quotations to be submitted to automobile manufacturers in the United States and
18 elsewhere;

19 c. agreeing, during those meetings, conversations and communications, to
20 allocate the supply of automotive wire harnesses and related products sold to automobile
21 manufacturers in the United States and elsewhere on a model-by-model basis;

22 d. agreeing, during those meetings, conversations and communications, to
23 coordinate price adjustments requested by automobile manufacturers in the United States and
24 elsewhere;

25 e. submitting bids, price quotations, and price adjustments to automobile
26 manufacturers in the United States and elsewhere in accordance with the agreements reached;

27 f. selling automotive wire harnesses and related products to automobile
28 manufacturers in the United States and elsewhere at collusive and noncompetitive prices;

g. accepting payment for automotive wire harnesses and related products sold to automobile manufacturers in the United States and elsewhere at collusive and noncompetitive prices;

h. engaging in meetings, conversations and communications in the United States and elsewhere for the purpose of monitoring and enforcing adherence to the agreed-upon bid-rigging and price-fixing scheme; and

i. employing measures to keep their conduct secret, including but not limited to using code names and meeting at private residences or remote locations.

VI. TRADE AND COMMERCE

58. During the period covered by this Complaint, Defendants sold to automobile manufacturers located in various states in the United States substantial quantities of automotive wire harnesses and related products shipped from outside the United States and from other states in a continuous and uninterrupted flow of interstate and foreign trade and commerce. In addition, substantial quantities of equipment and supplies necessary to the production and distribution of automotive wire harnesses and related products by Defendants, as well as payments for automotive wire harnesses and related products sold by Defendants, traveled in interstate and foreign trade and commerce. The business activities of Defendants in connection with the production and sale of automotive wire harnesses and related products that were the subject of the charged conspiracy were within the flow of, and substantially affected, interstate and foreign trade and commerce.

VII. CLASS ACTION ALLEGATIONS

59. Plaintiffs bring this action on behalf of themselves and as a class action under Rule 23(a) and (b)(2) of the Federal Rules of Civil Procedure, seeking equitable and injunctive relief on behalf of the following class (the "Nationwide Class"):

All persons and entities that indirectly purchased, during the Class Period, Automotive Wire Harness Systems, for personal use and not for resale, including as a stand-alone replacement product or as a component of a new motor vehicle from any Defendant or any current or former subsidiary or affiliate thereof, or any co-conspirator.

1 60. Plaintiffs also bring this action on behalf of themselves and as a class action under
 2 Rule 23(a) and (b)(3) of the Federal Rules of Civil Procedure seeking damages pursuant to the state
 3 antitrust, unfair competition, and consumer protection laws on behalf of the following class (the
 4 "Indirect Purchasers Class"):

5 All persons and entities that indirectly purchased, during the Class
 6 Period, Automotive Wire Harness Systems, for personal use and not
 7 for resale, including as a stand-alone replacement product or as a
 8 component of a new motor vehicle from any Defendant or any
 9 current or former subsidiary or affiliate thereof, or any co-
 10 conspirator.

11 61. The Nationwide Class and the Indirect Purchasers Class are referred to herein as the
 12 "Classes." Excluded from the Classes are Defendants, their parent companies, subsidiaries and
 13 affiliates, any co-conspirators, federal governmental entities and instrumentalities of the federal
 14 government, states and their subdivisions, agencies and instrumentalities, and persons who
 15 purchased Automotive Wire Harness Systems directly or for resale.

16 62. While Plaintiffs do not know the exact number of the members of the Classes,
 17 Plaintiffs believe there are hundreds of thousands of members in each Class.

18 63. Common questions of law and fact exist as to all members of the Classes. This is
 19 particularly true given the nature of Defendants' conspiracy, which was generally applicable to all
 20 the members of both Classes, thereby making appropriate relief with respect to the Classes as a
 21 whole. Such questions of law and fact common to the Classes include, but are not limited to:

22 (a) Whether Defendants engaged in a combination and conspiracy among
 23 themselves to fix, raise, maintain or stabilize the prices of Automotive Wire Harness Systems sold
 24 in the United States;

25 (b) The identity of the participants of the alleged conspiracy;

26 (c) The duration of the alleged conspiracy and the acts carried out by
 27 Defendants in furtherance of the conspiracy;

28 (d) Whether the alleged conspiracy violated the Sherman Act, as alleged in the
 First Cause of Action;

1 (e) Whether the alleged conspiracy violated state antitrust and unfair
2 competition law, as alleged in the First Cause of Action;

3 (f) Whether Defendants unjustly enriched themselves to the detriment of the
4 Plaintiffs and the members of the Classes, thereby entitling Plaintiffs and the members of the
5 Classes to disgorgement of all benefits derived by Defendants, as alleged in the Second Cause of
6 Action;

7 (g) Whether the conducts of Defendants, as alleged in this Complaint, caused
8 injury to the business or property of Plaintiffs and the members of the Classes;

9 (h) The effect of the alleged conspiracy on the prices of Automotive Wire
10 Harness Systems sold in the United States during the Class Period;

11 (i) Whether the Defendants fraudulently concealed the conspiracy's existence
12 from the Plaintiffs and the members of the Classes;

13 (j) The appropriate injunctive and related equitable relief for the Nationwide
14 Class; and

15 (k) The appropriate class-wide measure of damages for the Damages Class.

16 64. Plaintiffs' claims are typical of the claims of the members of the Classes, and
17 Plaintiffs will fairly and adequately protect the interests of the Classes. Plaintiffs and all members
18 of the Classes are similarly affected by Defendants' wrongful conduct in that they paid artificially
19 inflated prices for Automotive Wire Harnesses purchased indirectly from Defendants.

20 65. Plaintiffs' claims arise out of the same common course of conduct giving rise to the
21 claims of the other members of the Classes. Plaintiffs' interests are coincident with, and not
22 antagonistic to, those of the other members of the Classes. Plaintiffs are represented by counsel
23 who are competent and experienced in the prosecution of antitrust and class action litigation.

24 66. The questions of law and fact common to the members of the Classes predominate
25 over any questions affecting only individual members, including legal and factual issues relating to
26 liability and damages.

27 67. Class action treatment is a superior method for the fair and efficient adjudication of
28 the controversy, in that, among other things, such treatment will permit a large number of similarly

1 situated persons to prosecute their common claims in a single forum simultaneously, efficiently and
 2 without the unnecessary duplication of evidence, effort and expense that numerous individual
 3 actions would engender. The benefits of proceeding through the class mechanism, including
 4 providing injured persons or entities with a method for obtaining redress for claims that it might
 5 not be practicable to pursue individually, substantially outweigh any difficulties that may arise in
 6 management of this class action.

7 68. The prosecution of separate actions by individual members of the Classes would
 8 create a risk of inconsistent or varying adjudications, establishing incompatible standards of
 9 conduct for Defendants.

10 69. Plaintiffs bring the Indirect Class on behalf of all persons similarly situated pursuant
 11 to Rule 23 of the Federal Rules of Civil Procedure and/or respective state statute(s), on behalf of all
 12 members of the following classes (collectively, the "State Classes"):

- 13 (a) **Arizona**: All persons who purchased for their own use and not for resale
 14 motor vehicles with wire harnesses manufactured by any defendant.
- 15 (b) **California**: All persons who purchased for their own use and not for resale
 16 motor vehicles with wire harnesses manufactured by any defendant.
- 17 (c) **District of Columbia**: All persons who purchased for their own use and not
 18 for resale motor vehicles with wire harnesses manufactured by any
 19 defendant.
- 20 (d) **Florida**: All persons who purchased for their own use and not for resale
 21 motor vehicles with wire harnesses manufactured by any defendant.
- 22 (e) **Illinois**: All persons who purchased for their own use and not for resale
 23 motor vehicles with wire harnesses manufactured by any defendant.
- 24 (f) **Iowa**: All persons who purchased for their own use and not for resale motor
 25 vehicles with wire harnesses manufactured by any defendant.
- 26 (g) **Kansas**: All persons who purchased for their own use and not for resale
 27 motor vehicles with wire harnesses manufactured by any defendant.

- 1 (h) **Maine**: All persons who purchased for their own use and not for resale
2 motor vehicles with wire harnesses manufactured by any defendant.
- 3 (i) **Massachusetts**: All persons who purchased for their own use and not for
4 resale motor vehicles with wire harnesses manufactured by any defendant.
- 5 (j) **Michigan**: All persons who purchased for their own use and not for resale
6 motor vehicles with wire harnesses manufactured by any defendant.
- 7 (k) **Minnesota**: All persons who purchased for their own use and not for resale
8 motor vehicles with wire harnesses manufactured by any defendant.
- 9 (l) **Mississippi**: All persons who purchased for their own use and not for resale
10 motor vehicles with wire harnesses manufactured by any defendant.
- 11 (m) **Nebraska**: All persons who purchased for their own use and not for resale
12 motor vehicles with wire harnesses manufactured by any defendant.
- 13 (n) **Nevada**: All persons who purchased for their own use and not for resale
14 motor vehicles with wire harnesses manufactured by any defendant.
- 15 (o) **New Hampshire**: All persons who purchased for their own use and not for
16 resale motor vehicles with wire harnesses manufactured by any defendant.
- 17 (p) **New Mexico**: All persons who purchased for their own use and not for
18 resale motor vehicles with wire harnesses manufactured by any defendant.
- 19 (q) **New York**: All persons who purchased for their own use and not for resale
20 motor vehicles with wire harnesses manufactured by any defendant.
- 21 (r) **North Carolina**: All persons who purchased for their own use and not for
22 resale motor vehicles with wire harnesses manufactured by any defendant.
- 23 (s) **North Dakota**: All persons who purchased for their own use and not for
24 resale motor vehicles with wire harnesses manufactured by any defendant.
- 25 (t) **Oregon**: All persons who purchased for their own use and not for resale
26 motor vehicles with wire harnesses manufactured by any defendant.
- 27 (u) **South Carolina**: All persons who purchased for their own use and not for
28 resale motor vehicles with wire harnesses manufactured by any defendant.

- (v) **South Dakota**: All persons who purchased for their own use and not for resale motor vehicles with wire harnesses manufactured by any defendant.
- (w) **Tennessee**: All persons who purchased for their own use and not for resale motor vehicles with wire harnesses manufactured by any defendant.
- (x) **Utah**: All persons who purchased for their own use and not for resale motor vehicles with wire harnesses manufactured by any defendant.
- (y) **Vermont**: All persons who purchased for their own use and not for resale motor vehicles with wire harnesses manufactured by any defendant.
- (z) **West Virginia**: All persons who purchased for their own use and not for resale motor vehicles with wire harnesses manufactured by any defendant.
- (aa) **Wisconsin**: All persons who purchased for their own use and not for resale motor vehicles with wire harnesses manufactured by any defendant.

Excluded from the State Classes are: (1) Defendants; (2) any entity in which Defendants have a controlling interest; (3) Defendants' officers, directors and employees; (4) Defendants' legal representatives, successors and assigns; and (5) the Court to which this case is assigned. The proposed State Classes are both ascertainable and share a well-defined community of interest in common questions of law and fact. Furthermore, this action satisfies the numerosity, commonality, typicality, adequacy, predominance and superiority requirements.

70. Plaintiffs do not know the exact number of Class members at the present time. However, due to the nature of the trade and commerce involved, there are many thousands of class members, geographically dispersed throughout the nation such that joinder of all Class members is impracticable. Included in each state class are purchasers of new cars containing Automotive Wire Harness Systems for personal use.

71. The common legal and factual questions, which do not vary from Class member to Class member, and which may be determined without reference to individual circumstances of any Class member include, but are not limited to, the following:

- (a) Whether Defendants engaged in a contract, combination or conspiracy to raise, stabilize, fix and/or maintain prices of Automotive Wire Harness Systems;

(b) The duration and extent of the alleged contract, combination or conspiracy;

(c) Whether Defendants were participants in the contract, combination or conspiracy alleged herein;

(d) The effect of the contract, combination or conspiracy on the prices of Automotive Wire Harness System in the United States during the Class Period;

(e) Whether the conduct of Defendants caused injury to Plaintiffs and other members of the State Classes;

(f) Whether the alleged contract, combination or conspiracy violated state antitrust statutes; and

(g) Whether the alleged conduct violated the common law of unjust enrichment.

72. Questions of law and fact common to members of the State Classes predominate over any questions which may affect only individual members.

73. Plaintiffs' claims are typical of the claims of the Class, and Plaintiffs will fairly and adequately protect the interests of the State Classes. Plaintiffs' interests are not antagonistic to the claims of the other Class members, and there are no material conflicts with any other member of the State Classes that would make class certification inappropriate. Plaintiffs have retained competent counsel experienced in complex antitrust and consumer protection class action litigation and will prosecute this action vigorously.

74. A class action is superior to other available methods for the fair and efficient adjudication of this controversy because individual litigation of the claims of all Class members is impracticable. Even if every Class member could afford individual litigation, the court system could not. It would be unduly burdensome on the courts if individual litigation of numerous cases would proceed. By contrast, the conduct of this action as a class action, with respect to some or all of the issues presented in this Complaint, presents fewer management difficulties, conserves the resources of the parties and of the court system, and protects the rights of each Class member.

75. Prosecution of separate actions by individual Class members would create the risk of inconsistent or varying adjudications, establishing incompatible standards of conduct for

1 Defendants, and would magnify the delay and expense to all parties and to the court system
2 resulting from multiple trials of the same complex factual issues.

3 76. Whatever difficulties may exist in the management of the class action will be
4 greatly outweighed by the benefits of the class action procedure, including, but not limited to,
5 providing Class members with a method for the redress of claims that may not otherwise warrant
6 individual litigation.

7 **VIII. ANTITRUST INJURY**

8 77. The effect of Defendants' conduct as described herein has been to artificially inflate
9 the prices of Automotive Wire Harness Systems and the price paid by Class members for new cars
10 in the United States.

11 **IX. FRAUDULENT CONCEALMENT AND TOLLING**

12 78. Throughout the Class Period, Defendants engaged in a successful, illegal price-
13 fixing and supply control conspiracy that was self-concealing. Defendants effectively,
14 affirmatively and fraudulently concealed their unlawful combination, conspiracy and acts in
15 furtherance thereof from Plaintiffs and the members of the Classes.

16 79. Plaintiffs did not know nor could they have known that the prices for Automotive
17 Wire Harness Systems were artificially inflated and maintained by virtue of Defendants' illegal
18 price-fixing and supply control conspiracy, and that Plaintiffs and members of the Classes were
19 paying higher prices.

20 80. Plaintiffs have exercised due diligence by promptly investigating the facts giving
21 rise to the claims asserted herein upon having reasonable suspicion of the existence of Defendants'
22 conspiracy.

23 81. As a result of Defendants' fraudulent concealment of their conspiracy, the running
24 of any statute of limitations has been tolled with respect to any claims that Plaintiffs and the Class
25 members have as a result of the anticompetitive conduct alleged in this Complaint.
26
27
28

X. CAUSES OF ACTION

FIRST CAUSE OF ACTION

VIOLATION OF STATE ANTITRUST AND RESTRAINT OF TRADE LAWS

82. Plaintiffs incorporate and reallege, as though fully set forth herein, each of the paragraphs set forth above.

83. In response to market conditions, and in an effort to supracompetitively inflate the prices of Automotive Wire Harness Systems, Defendants engaged in a continuing contract, combination and conspiracy in restraint of interstate trade and commerce, which had the purpose and effect of fixing, raising, maintaining and/or stabilizing the price of Automotive Wire Harness Systems at artificially high, non-competitive levels in the United States.

84. The conspiracy had its intended effect, as Defendants benefitted from selling Automotive Wire Harness Systems at supra-competitive prices.

85. For the purposes of effectuating the aforesaid contract, combination and conspiracy, Defendants:

(a) agreed among themselves to fix, raise, maintain and/or stabilize the prices of Automotive Wire Harness Systems in the United States;

(b) agreed among themselves to restrict the supply of Automotive Wire Harness Systems by implementing bid-rigging and coordinating their actions; and

(c) agreed among themselves to implement supracompetitive increases in the prices of Automotive Wire Harness Systems in the United States.

86. As a result of Defendants' unlawful conduct, Plaintiffs and the other members of the State Classes have been injured in their business and property in that they have paid more for cars including Automotive Wire Harness Systems than they otherwise would have paid in the absence of Defendants' unlawful conduct.

87. By reason of the foregoing, Defendants have violated Arizona Revised Statutes §§ 44-1401, *et seq.*

88. By reason of the foregoing, Defendants have violated California Business and Professions Code §§ 16720, *et seq.*

1 89. By reason of the foregoing, Defendants have violated District of Columbia Code
2 Annotated §§ 28-4501, *et seq.*

3 90. By reason of the foregoing, Defendants have violated the Florida Deceptive and
4 Unfair Trade Practices Act, Fla. Stat. §§ 501.201, *et seq.*

5 91. By reason of the foregoing, Defendants have violated the Illinois Antitrust Act,
6 Illinois Compiled Statutes, §§ 740 Ill. Comp. Stat. 10/1, *et seq.*

7 92. By reason of the foregoing, Defendants have violated Iowa Code §§ 553.1, *et seq.*

8 93. By reason of the foregoing, Defendants have violated Kansas Statutes Annotated
9 §§ 50-101, *et seq.*

10 94. By reason of the foregoing, Defendants have violated the Maine Revised Statutes 10
11 M.R.S. §§ 1101, *et seq.*

12 95. By reason of the foregoing, Defendants have violated Michigan Compiled Laws
13 Annotated §§ 445.771, *et seq.*

14 96. By reason of the foregoing, Defendants have violated Minnesota Annotated Statutes
15 §§ 325D.49, *et seq.*

16 97. By reason of the foregoing, Defendants have violated Mississippi Code Annotated
17 §§ 75-21-1, *et seq.*

18 98. By reason of the foregoing, Defendants have violated Nebraska Revised Statutes
19 §§ 59-801, *et seq.*

20 99. By reason of the foregoing, Defendants have violated Nevada Revised Statutes
21 Annotated §§ 598A.010, *et seq.*

22 100. By reason of the foregoing, Defendants have violated New Mexico Statutes
23 Annotated §§ 57-1-1, *et seq.*

24 101. By reason of the foregoing, Defendants have violated New Hampshire Revised
25 Statutes §§ 356:1, *et seq.*

26 102. By reason of the foregoing, Defendants have violated New York General Business
27 Laws §§ 340, *et seq.*

103. By reason of the foregoing, Defendants have violated North Carolina General Statutes §§ 75-1, *et seq.*

104. By reason of the foregoing, Defendants have violated North Dakota Century Code §§ 51-08.1-01, *et seq.*

105. By reason of the foregoing, Defendants have violated Oregon Revised Statutes §§ 646.705, *et seq.*

106. By reason of the foregoing, Defendants have violated South Carolina's Unfair Trade Practices Act, S.C. Code Ann. §§ 39-5-10, *et seq.*

107. By reason of the foregoing, Defendants have violated South Dakota Codified Laws §§ 37-1-3.1, *et seq.*

108. By reason of the foregoing, Defendants have violated Tennessee Code Annotated §§ 47-25-101, *et seq.*

109. By reason of the foregoing, Defendants have violated Utah Code Annotated §§ 76-10-911, *et seq.*

110. By reason of the foregoing, Defendants have violated Vermont Stat. Ann. 9 §§ 2451, *et seq.*

111. By reason of the foregoing, Defendants have violated West Virginia Code §§ 47-18-1, *et seq.*

112. By reason of the foregoing, Defendants have violated Wisconsin Statutes §§ 133.01, *et seq.*¹

SECOND CAUSE OF ACTION

UNJUST ENRICHMENT

113. Plaintiffs incorporate and reallege, as though fully set forth herein, each of the paragraphs set forth above.

114. To the detriment of Plaintiffs and Class members, Defendants have been and continue to be unjustly enriched as a result of the unlawful and/or wrongful conduct alleged herein.

¹ A demand letter will be sent under Massachusetts General Law Annotated Chapter 93A, *et seq.*, and an amendment adding claims under that law will be made in 30 days if necessary.

1 Defendants have unjustly benefited by receiving higher prices for Automotive Wire Harness
2 Systems, which higher prices were passed along to consumers, and would otherwise not have been
3 possible absent the unlawful and/or wrongful conduct.

4 115. Between the parties, it would be unjust for Defendants to retain the benefits attained
5 by their actions. Accordingly, Plaintiffs and Class members seek full restitution of Defendants'
6 enrichment, benefits and ill-gotten gains acquired as a result of the unlawful and/or wrongful
7 conduct alleged herein.

8 **XI. PRAYER FOR RELIEF**

9 WHEREFORE, Plaintiffs and Class members pray for relief as set forth below:

10 A. Certification of the action as a class action pursuant to Federal Rule of Civil
11 Procedure 23, and appointment of Plaintiffs as Class Representatives and their counsel of record as
12 Class Counsel;

13 B. A declaration that Defendants' conduct constituted an unlawful restraint of trade in
14 violation of the state statutes alleged herein and that Defendants are liable for the conduct or
15 damage inflicted by any other co-conspirator;

16 C. Restitution and/or damages to Class members for their purchases of cars containing
17 Automotive Wire Harness Systems at inflated prices;

18 D. Actual damages, statutory damages, punitive or treble damages, and such other
19 relief as provided by the statutes cited herein;

20 E. Pre-judgment and post-judgment interest on such monetary relief;

21 F. Equitable relief in the form of restitution and/or disgorgement of all unlawful or
22 illegal profits received by Defendants as a result of the anticompetitive conduct alleged in herein;

23 G. The costs of bringing this suit, including reasonable attorneys' fees; and

24 H. All other relief to which Plaintiffs and Class members may be entitled at law or in
25 equity.

26 **XII. DEMAND FOR JURY TRIAL**

27 Plaintiffs on behalf of themselves and all others similarly situated hereby request a jury trial
28 on any and all claims so triable.

1 DATED: October 6, 2011.

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